

Exhibit 1

Exhibit 1
Summary of SafeNet's ESO Expense Amount and Realized Gains
(dollars in thousands, except ratios)

	ESO Expense Amount Based on USA Documents	Realized Gains	
		Without Offset	With Offset
	[1]	[2]	[3]
Total Amounts, Q42000 - FY2005	\$12,849	\$3,801	\$3,243
As % of Revenues	2.18%	0.65%	0.55%
As % of Operating Expense as reported in 10-K filings	3.96%	1.17%	1.00%
As % of Median Operating Income as reported by analysts	11.56%	3.42%	2.92%

Sources: Thomson, SafeNet Form 10-K Filings, USA document received from Counsel on 11/12/2007, PWC Analysis file from USA.

Notes:

[1] ESO Expense is based on the difference between actual and reported operating income from USA document received from Counsel on 11/12/2007.

[2] Realized Gains Without Offset is calculated by taking the difference between the grant price and the revised grant price, multiplied by the number of options exercised. Where the revised price was lower than the original grant price, the difference was set to zero.

[3] Realized Gains With Offset is calculated by taking the difference between the grant price and the revised grant price, multiplied by the number of options exercised.

Exhibit 2

Exhibit 2
SafeNet's Pro Forma and As Reported Operating Expenses/Operating Income, 2000-2005
(dollars in thousands)

	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005
Revenues	\$25,278	\$16,462	\$32,235	\$66,194	\$201,600	\$263,061
Cost of Revenues - Pro Forma	\$5,834	\$4,525	\$8,963	\$14,185	\$88,133	\$121,427
Gross Profit - Pro Forma	<u>\$19,444</u>	<u>\$11,937</u>	<u>\$23,272</u>	<u>\$52,009</u>	<u>\$113,467</u>	<u>\$141,634</u>
Research and Development Expenses	\$6,342	\$6,118	\$8,504	\$14,664	\$23,771	\$31,191
Sales and Marketing Expenses	\$4,756	\$5,061	\$7,341	\$14,929	\$28,974	\$49,782
General and Administrative Expenses	\$2,681	\$2,203	\$3,852	\$6,716	\$16,216	\$21,028
Total Operating Expenses - Pro Forma	<u>\$13,779</u>	<u>\$13,382</u>	<u>\$19,697</u>	<u>\$36,309</u>	<u>\$68,961</u>	<u>\$102,001</u>
Operating Income (Loss) - Pro Forma	<u>\$5,665</u>	<u>(\$1,445)</u>	<u>\$3,575</u>	<u>\$15,700</u>	<u>\$44,506</u>	<u>\$39,633</u>
Amortization Included in Cost of Revenues	-	-	-	\$2,652	\$11,620	\$14,578
Write-Off of In-process Research and Development	-	-	\$3,375	\$9,681	-	\$1,196
Costs of Integration of Acquired Companies	-	-	\$256	\$3,934	\$15,908	\$7,422
Amortization of Acquired Intangible Assets	-	-	\$1,488	\$4,710	\$8,676	\$9,175
Amortization of Unearned Compensation	-	-	-	-	\$5,925	\$4,725
Restructuring Charges	-	-	-	-	\$1,300	\$2,391
Total Operating Expenses - As Reported	<u>\$13,504</u>	<u>\$13,382</u>	<u>\$24,816</u>	<u>\$54,634</u>	<u>\$100,770</u>	<u>\$126,910</u>
Operating Income (Loss) - As Reported	<u>\$5,940</u>	<u>(\$1,445)</u>	<u>(\$1,544)</u>	<u>(\$5,277)</u>	<u>\$1,077</u>	<u>\$146</u>
Investment Income and other expenses, net	\$1,320	\$1,336	\$669	\$807	\$2,687	\$5,861
Income (Loss) from Continuing Operations before Income Taxes	\$7,260	(\$109)	(\$875)	(\$4,470)	\$3,764	\$6,007
Income Tax Expense (Benefit)	-	-	(\$90)	\$1,618	\$1,581	\$2,979
Income (Loss) from Continuing Operations	\$7,260	(\$109)	(\$785)	(\$6,088)	\$2,183	\$3,028
Loss from Operations of Discontinued GDS Business	(\$1,503)	(\$3,453)	(\$3,954)	-	-	-
Net (Loss) Income, as Reported	<u>\$5,757</u>	<u>(\$3,562)</u>	<u>(\$4,739)</u>	<u>(\$6,088)</u>	<u>\$2,183</u>	<u>\$3,028</u>

Sources: SafeNet Form 10-K Filings.

Notes:

[1] In FY2000, there is an additional expense of (\$275) listed as the "Recovery of Cyberguard advance", which accounts for the difference between Pro Forma Operating Expenses/Income and As Reported Operating Expenses/Income.

Exhibit 3

Exhibit 3
Summary of SafeNet's Operating Income as Reported in Analyst Reports¹
(in thousands)

Source	Q42000	FY2001	FY2002	FY2003	FY2004	FY2005
AvondalePartners		(\$981)	\$3,575	\$15,448	\$44,669	\$46,836
Brean Murray		(\$981)	\$3,575	\$15,448	\$44,666	\$45,604
Credit Suisse		(\$1,445)	\$3,575	\$15,700	\$44,900	\$39,600
Deutsche Bank			\$3,319	\$15,700	\$44,506	\$46,634
FBR						\$46,200
Ferris Baker Watts	\$2,268	(\$3,436)	\$3,575	\$15,846	\$44,668	
First Analysis		(\$581)	\$3,575	\$15,448	\$44,669	\$45,987
Janney ²		(\$1,400)	(\$1,500)	(\$5,600)		
Kaufman				\$15,700	\$44,800	\$40,300
Legg Mason			\$3,575	\$15,687	\$44,668	
Lehman Brothers				\$33,900	\$44,600	
Merriman ²				(\$5,277)	\$1,077	\$146
Morgan Keegan				\$15,700	\$44,668	\$44,598
Morgan Stanley				\$16,000	\$45,000	
Needham		(\$600)	\$3,600	\$15,800	\$44,700	
Raymond James		(\$981)	\$3,575			
RBC					\$44,500	\$45,800
Southwest		(\$981)	\$3,575	\$15,448	\$44,666	
Standard and Poors		(\$3,300)	\$4,870	\$17,200	\$21,200	
Sterne		(\$981)	\$3,575	\$15,448	\$44,666	\$47,186
Stifel					\$44,668	\$47,247
Wachovia	\$2,246	(\$981)	\$3,575	\$15,685	\$44,450	\$47,186
Wedbush Morgan				\$15,700	\$44,500	\$42,900
Median:	\$2,257	(\$981)	\$3,575	\$15,700	\$44,667	\$45,894

Sources: Thomson.

Notes:

[1] Information is sourced from the most recent analyst report with available information.

[2] Janney and Merriman included amortization, write-offs, integration and restructuring costs in the operating expense, as in SafeNet's 10-K filings. The rest of the analysts only included R&D, sales and marketing, and general and administrative costs.

Exhibit 4

Exhibit 4
Excerpt of SafeNet Form 10-K 405 Filed on March 18, 2002, Page.47

Range of Exercise Prices	Number of shares	Options Outstanding		Options Exercisable	
		Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Number of Shares	Weighted Average Exercise Price
\$ 4.38 to \$8.73	541,789	5.6 years	\$ 6.99	221,789	\$ 7.36
\$ 8.74 to \$17.450	785,180	6.9 years	\$ 12.56	361,720	\$ 12.11
\$ 17.46 to \$26.18	431,822	5.2 years	\$ 22.48	134,394	\$ 21.96
\$ 26.18 to \$34.90	53,168	5.7 years	\$ 32.59	27,668	\$ 31.68
\$ 34.91 to \$43.63	71,500	5.1 years	\$ 40.29	10,375	\$ 37.88
	<u>1,883,459</u>	<u>6.0 years</u>	<u>\$ 14.85</u>	<u>755,946</u>	<u>\$ 13.54</u>

The Company applies the intrinsic value method in accounting for options granted to employees and directors and, accordingly, no compensation cost has been recognized for its options in the consolidated financial statements. Pro forma financial information regarding net income (loss) and income (loss) per share has been determined as if the Company had accounted for its employee stock options using the fair value method. For purposes of pro forma disclosures, the estimated fair value of the options is amortized to expense over the options' vesting period. The Company's pro forma information follows:

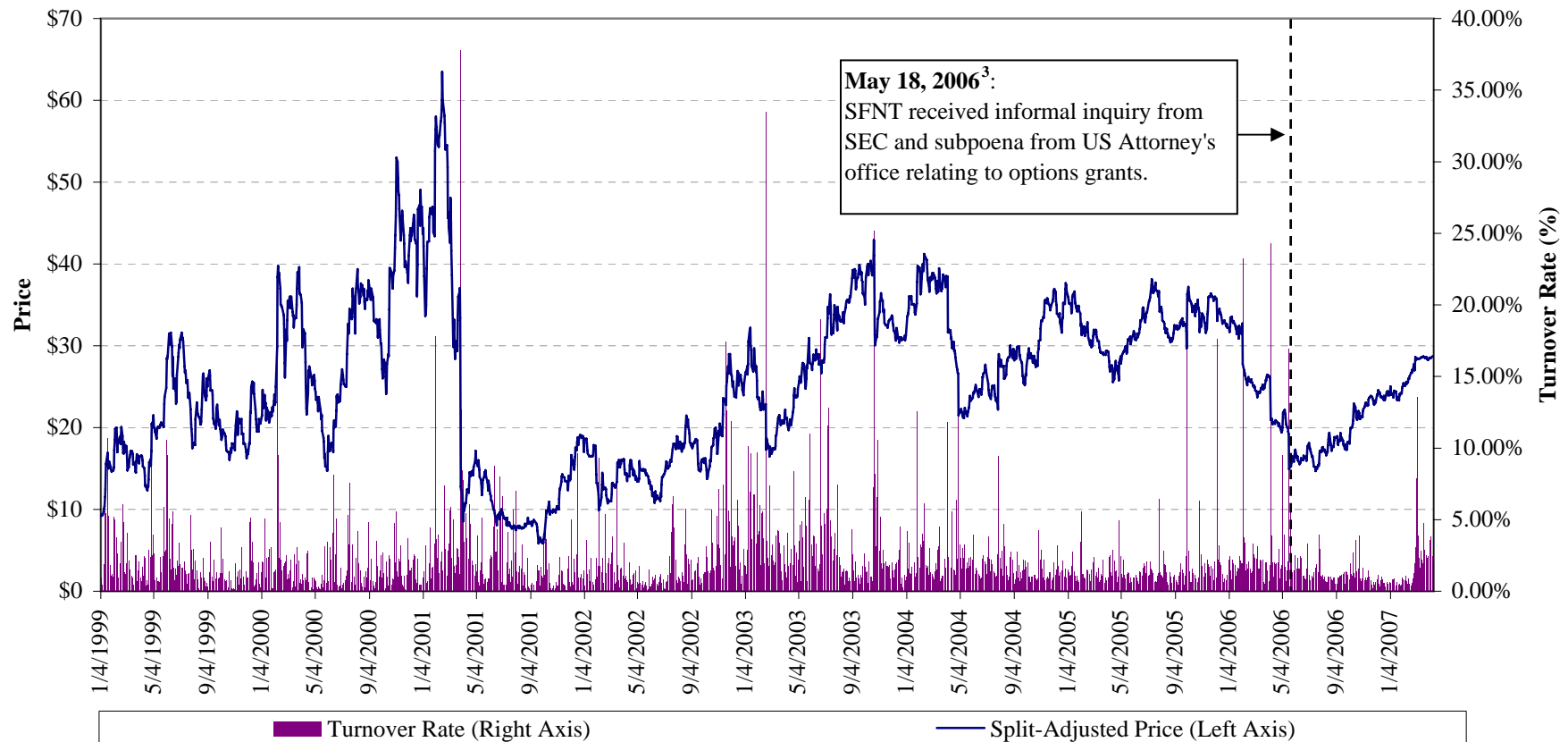
	2001	2000	1999
Net income (loss)			
As reported	\$ (3,561,514)	\$ 5,757,144	\$ (3,060,522)
Proforma	\$ (8,898,000)	\$ 1,640,000	\$ (5,124,000)
Earnings (loss) per common share			
As reported			
Basic	\$ (.50)	\$.85	\$ (.56)
Diluted	\$ (.50)	\$.80	\$ (.56)
Proforma			
Basic	\$ (1.26)	\$.24	\$ (.93)
Diluted	\$ (1.26)	\$.24	\$ (.93)

The weighted-average fair value per share of options granted during 2001, 2000, and 1999 was \$11.50, \$20.45, and \$11.43, respectively, on the dates of grant. The fair values of options granted was estimated using the Black-Scholes option-pricing model with the following weighted average assumptions for grants in 2001, 2000, and 1999, respectively: risk-free interest rates of 4.42%, 5.10%, and 6.44%; expected volatility of 139%, 180%, and 143%; dividend yield and expected dividend growth rate of 0% in all years; and weighted-average expected life of 3 to 5 years.

In addition, in November 1995, in connection with the private placement of 300,000 shares of the Company's common stock, the Company issued the placement agent warrants to purchase 30,000

Exhibit 5

Exhibit 5
SafeNet Equity Price and Turnover Rate¹
January 4, 1999 to April 11, 2007²



Source: Bloomberg L.P.

Notes:

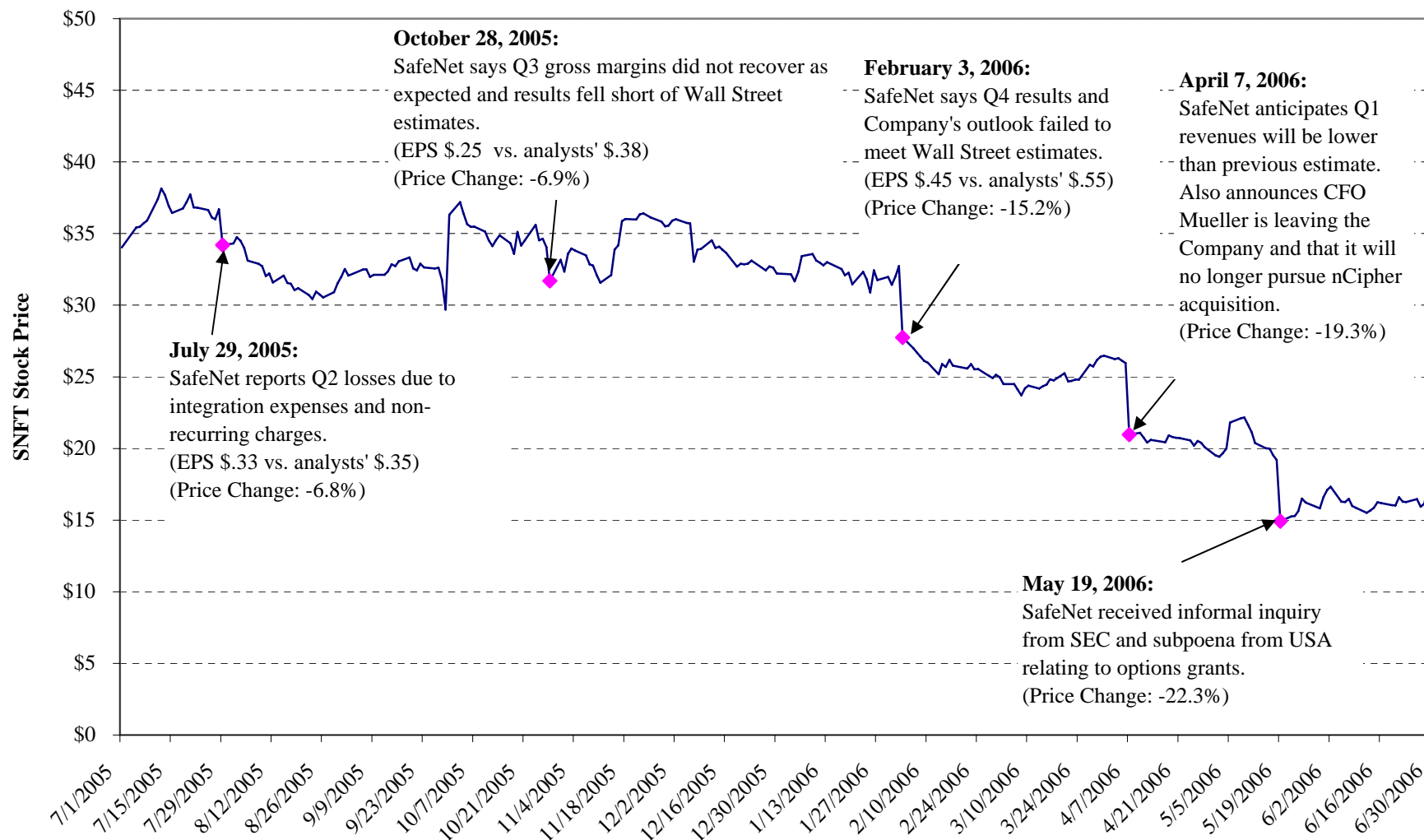
[1] Turnover rate is defined as the ratio of trading volume and the total shares outstanding.

[2] SafeNet was acquired by Vector Capital on April 12, 2007, and became a privately-held company. Stock price is not available after 4/11/2007.

[3] Announcement was made after the close of market on May 18, 2006. SafeNet's stock price dropped \$4.28 from \$19.21 (closing price on 5/19/2006) to \$14.93 (closing price on 5/20/2006).

Exhibit 6

Exhibit 6
SafeNet Experienced a Series of Disappointing Financial Results Prior to Option Grants Investigation
July 2005 - June 2006



Sources: Bloomberg L.P. , Factiva.

Exhibit 7

Exhibit 7

"SafeNet Receives Stock Options Related Inquiries," Business Wire, May 18, 2006 16:59.



SafeNet Receives Stock Options Related Inquiries

379 words

18 May 2006

16:59

[Business Wire](#)

English

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BALTIMORE - (BUSINESS WIRE) - May 18, 2006 - **SafeNet**, Inc. (NASDAQ:SFNT), setting the standard for information security, today announced that it received a subpoena from the office of the United States Attorney for the Southern District of New York relating to the Company's granting of **stock options**. The Company also announced that it has received an informal inquiry from the Securities and Exchange Commission requesting information relating to stock option grants to directors and officers of the Company, as well as information relating to certain accounting policies and practices.

The Company is actively engaged in responding to these requests, and will cooperate fully with both offices.

About SafeNet, Inc.

SafeNet is a global leader in information security. Founded more than 20 years ago, the company provides complete security utilizing its encryption technologies to protect communications, intellectual property and digital identities, and offers a full spectrum of products including hardware, software, and chips. UBS, Nokia, Fujitsu, Hitachi, ARM, Bank of America, NetGear, the Departments of Defense and Homeland Security, Adobe, Samsung, Texas Instruments, the U.S. Internal Revenue Service and scores of other customers entrust their security needs to SafeNet. For more information, visit www.safenet-inc.com [<http://www.safenet-inc.com>]

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995

The statements contained in this release, which are not historical facts, are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements are subject to uncertainties that could cause actual results to differ materially from those set forth in or implied by forward-looking statements. Important factors that could cause actual results to differ materially are included but are not limited to those listed in SafeNet's periodic reports and registration statements filed with the Securities and Exchange Commission. The Company assumes no obligation to update information concerning its expectations.

Editor's Note: SafeNet is a registered trademark of SafeNet, Inc. All other trademarks are the property of their respective owners.

Source: Factiva.